

Associated Students, Inc. of California State University San Marcos

Financial Statements and Supplemental Information

Years Ended June 30, 2018 and 2017



ASSOCIATED STUDENTS, INC. OF CALIFORNIA STATE UNIVERSITY SAN MARCOS
Financial Statements and Supplemental Information
Years Ended June 30, 2018 and 2017

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements:	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	7
Notes to Financial Statements	8
Supplemental Information for Inclusion in the California State University:	
Schedule of Net Position	13
Schedule of Revenues, Expenses, and Changes in Net Position	14
Other Information	15

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Associated Students, Inc. of California State University San Marcos

We have audited the accompanying financial statements of Associated Students, Inc. of California State San Marcos (a nonprofit organization), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Associated Students, Inc. of California State University San Marcos as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITORS' REPORT, CONTINUED

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included on pages 13-22 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Aldrich CPAs + Advisors LLP

San Diego, California
September 26, 2018

ASSOCIATED STUDENTS, INC. OF CALIFORNIA STATE UNIVERSITY SAN MARCOS**Statements of Financial Position**

June 30, 2018 and 2017

ASSETS	<u>2018</u>	<u>2017</u>
Current Assets:		
Cash	\$ 63,681	\$ 89,892
Restricted cash	192,939	168,777
Due from related parties	702,360	806,551
Other receivable	<u>1,090</u>	<u>-</u>
Total Current Assets	960,070	1,065,220
Property and Equipment, net of accumulated depreciation	17,005	32,215
Deposits	<u>3,000</u>	<u>3,000</u>
Total Assets	\$ <u><u>980,075</u></u>	\$ <u><u>1,100,435</u></u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$ 24,237	\$ 29,030
Due to related parties	383,631	377,134
Deferred revenue	89,187	186,822
Obligations under capital lease, current portion	<u>5,015</u>	<u>4,446</u>
Total Current Liabilities	502,070	597,432
Obligations under capital lease, net of current portion	<u>9,417</u>	<u>14,555</u>
Total Liabilities	511,487	611,987
Net Assets, unrestricted	<u>468,588</u>	<u>488,448</u>
Total Liabilities and Net Assets	\$ <u><u>980,075</u></u>	\$ <u><u>1,100,435</u></u>

See accompanying notes to financial statements.

ASSOCIATED STUDENTS, INC. OF CALIFORNIA STATE UNIVERSITY SAN MARCOS**Statements of Activities**

Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Unrestricted Revenue and Support:		
Student tuition fees	\$ 2,113,392	\$ 1,352,628
Interest income	15,495	9,895
Other income	<u>140,065</u>	<u>194,299</u>
Total Unrestricted Revenue and Support	2,268,952	1,556,822
Expenses:		
Program services	1,431,236	860,587
Management and general	<u>857,576</u>	<u>736,685</u>
Total Expenses	<u>2,288,812</u>	<u>1,597,272</u>
Change in Net Assets	(19,860)	(40,450)
Net Assets, beginning	<u>488,448</u>	<u>528,898</u>
Net Assets, ending	\$ <u><u>468,588</u></u>	\$ <u><u>488,448</u></u>

See accompanying notes to financial statements.

ASSOCIATED STUDENTS, INC. OF CALIFORNIA STATE UNIVERSITY SAN MARCOS**Statement of Functional Expenses**

Year Ended June 30, 2018

	Program Services	Management and General	Total Expenses
Accounting and legal	\$ -	\$ 174,142	\$ 174,142
Bank fees	93	8,132	8,225
Benefits	39,411	1,953	41,364
Contract services	-	14,319	14,319
Contract services admin fee	-	72,808	72,808
Depreciation	-	15,210	15,210
Insurance	-	8,460	8,460
Interest	885	720	1,605
Membership and dues	-	2,257	2,257
Office and other supplies	10	28,071	28,081
Other	13,281	6,534	19,815
Payroll	645,233	269,277	914,510
Postage	-	609	609
Printing	228	-	228
Professional development	410	10,597	11,007
Programming and student activities	625,196	16,949	642,145
Other rental and lease equipment	9,303	89,563	98,866
Other taxes and licenses	-	150	150
Rent	-	86,422	86,422
Salaries	72,182	24,073	96,255
Relocation (Non Faculty)	-	4,508	4,508
Telephone	-	7,257	7,257
Transportation and conference	25,004	15,565	40,569
	<u>\$ 1,431,236</u>	<u>\$ 857,576</u>	<u>\$ 2,288,812</u>

See accompanying notes to financial statements.

ASSOCIATED STUDENTS, INC. OF CALIFORNIA STATE UNIVERSITY SAN MARCOS**Statement of Functional Expenses**

Year Ended June 30, 2017

	Program Services	Management and General	Total Expenses
Accounting and legal	\$ -	\$ 158,948	\$ 158,948
Bank fees	-	6,449	6,449
Benefits	-	62,955	62,955
Contract services admin fee	-	56,539	56,539
Depreciation	-	17,043	17,043
Insurance	-	9,803	9,803
Interest charges	-	2,164	2,164
Membership and dues	-	2,049	2,049
Office and other supplies	410	12,013	12,423
Other	-	827	827
Payroll	521,671	183,498	705,169
Postage	-	520	520
Professional development	-	3,350	3,350
Programming and student activities	315,454	273	315,727
Other rental and lease equipment	11,410	1,893	13,303
Other taxes and licenses	-	160	160
Rent	-	83,987	83,987
Salaries	-	122,889	122,889
Telephone	-	6,293	6,293
Transportation/conference	11,642	5,032	16,674
	<u>\$ 860,587</u>	<u>\$ 736,685</u>	<u>\$ 1,597,272</u>

See accompanying notes to financial statements.

ASSOCIATED STUDENTS, INC. OF CALIFORNIA STATE UNIVERSITY SAN MARCOS**Statements of Cash Flows**

Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ (19,860)	\$ (40,450)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	15,210	17,043
Changes in operating assets and liabilities:		
Due from related parties	104,191	(113,660)
Other receivable	(1,090)	-
Accounts payable	(4,793)	72,715
Due to related parties	(17,665)	-
Deferred revenue	(97,635)	74,808
Net Cash Provided (Used) by Operating Activities	(21,642)	10,456
Cash Flows Used by Financing Activities:		
Payments on capital lease obligation	(4,569)	(4,016)
Net Increase (Decrease) in Cash	(26,211)	6,440
Cash, beginning	89,892	83,452
Cash, ending	\$ <u>63,681</u>	\$ <u>89,892</u>
Cash and Restricted Cash, beginning:	\$ 258,669	\$ 236,683
Net increase in unrestricted cash	(26,211)	6,440
Increase in funds held for others	24,162	15,546
Cash and Restricted Cash, ending	\$ <u>256,620</u>	\$ <u>258,669</u>
Cash	\$ 63,681	\$ 89,892
Restricted Cash	192,939	168,777
Total Cash and Restricted Cash	\$ <u>256,620</u>	\$ <u>258,669</u>
Supplemental Disclosures of Cash Flow Information:		
Cash payments for interest	\$ <u>1,604</u>	\$ <u>2,164</u>

See accompanying notes to financial statements.

ASSOCIATED STUDENTS, INC. OF CALIFORNIA STATE UNIVERSITY SAN MARCOS

Notes to Financial Statements

Years Ended June 30, 2018 and 2017

Note 1 – Organization and Summary of Significant Accounting Policies

Nature of Activities

The Associated Students, Inc. of California State University San Marcos (Organization) is a non-profit California corporation organized in 1994 as an auxiliary organization to California State University San Marcos (University) operated in accordance with the General Nonprofit Corporation Law of the State of California. The Organization administers various student programs and activities. Student fees and other revenues are collected for the support of student-related programs and for the acquisition of assets that benefit the student body.

The Organization's financial statements are included as a component unit of the University's annual general-purpose financial statements. This is required by government accounting standards that apply to the University.

Related Parties

The Organization is related to other auxiliaries of the University, including California State University San Marcos Corporation (SM Corp), formerly known as University Auxiliary and Research Services Corporation (UARSC), San Marcos University Corporation (UCorp), which merged with Campus and SM Corp, and California State University San Marcos Foundation (Foundation). These auxiliaries and the University periodically provide various services to one another.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to the three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

- Unrestricted net assets represent expendable funds available for operations, which are not otherwise limited by donor restrictions.
- Temporarily restricted net assets consist of contributed funds subject to donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the Organization may spend the funds.
- Permanently restricted net assets are subject to irrevocable donor restrictions requiring that the assets be maintained in perpetuity usually for the purpose of generating investment income to fund current operations.

As of June 30, 2018 and 2017, all of the Organization's net assets were classified as unrestricted. Unrestricted net assets represent funds that are fully available, at the discretion of management and the Associated Students Council, for the Organization to utilize in any of its programs or services.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

The Organization is a qualified non-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. However, the Organization remains subject to taxes on any net income which is derived from a trade or business regularly carried on and unrelated to its exempt purpose.

The Organization follows accounting standards generally accepted in the United States of America related to the recognition of uncertain tax positions. The Organization recognizes accrued interest and penalties associated with uncertain tax positions as part of the statements of activities, when applicable. Management has determined that the Organization has no uncertain tax positions as of June 30, 2018 and 2017 and therefore no amounts have been accrued.

ASSOCIATED STUDENTS, INC. OF CALIFORNIA STATE UNIVERSITY SAN MARCOS

Notes to Financial Statements

Years Ended June 30, 2018 and 2017

Note 1 – Organization and Summary of Significant Accounting Policies, continued

Property and Equipment

The Organization capitalizes all expenditures for property and equipment in excess of \$5,000. Equipment and improvements are recorded at cost or at estimated fair value at date of gift if donated. Expenditures for maintenance and repairs are charged against operations. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets of 5 years.

Restricted Cash

The Organization holds funds for on-campus student organizations to fund activities. These funds can be drawn upon at any time by the on-campus student organizations and are recognized as a liability to the University under due to related parties.

Revenue

Each enrolled student of the University was required to pay \$75 and \$50 per semester for an associated student body fee for the years ended June 30, 2018 and 2017, respectively. These payments support the Organization's operations and are collected by the University Business Office and remitted to the Organization, at which time they are recorded as revenue or deferred revenue. Deferred revenue represents the portion of student body fees collected for the summer and fall sessions applicable to the next fiscal year.

Fair Value Measurements

The carrying value of cash, receivables, and payables approximates fair value as of June 30, 2018 and 2017, due to the relative short maturities of these instruments.

Reclassifications

Certain reclassifications have been made to the 2017 financial statement presentation to correspond to the current year's format. Retained earnings and changes in retained earnings are unchanged due to these reclassifications. For the year ended June 30, 2017, \$168,777 in funds held for others was reclassified to due to related parties on the balance sheet. The reclassification is related to student organization which are reported under the University. In addition, for the year ended June 30, 2017, \$236,710 was reclassified from accounts payable to due to related party.

Subsequent Events

The Organization has evaluated subsequent events through September 26, 2018, which is the date the financial statements were available to be issued. Management is not aware of any events that have occurred subsequent to the statement of financial position date that would require adjustments to, or disclosures in the financial statements.

Note 2 – Concentrations of Credit Risk

The Organization maintains an account at a financial institution with funds insured by the Federal Deposit Insurance Corporation (FDIC). The Organization's account at this institution may, at times, exceed FDIC-insured limits of up to \$250,000. The Organization has not experienced any such losses in these accounts.

ASSOCIATED STUDENTS, INC. OF CALIFORNIA STATE UNIVERSITY SAN MARCOS

Notes to Financial Statements

Years Ended June 30, 2018 and 2017

Note 3 – Property and Equipment

Property and equipment consist of the following:

	<u>2018</u>	<u>2017</u>
Equipment	\$ 47,779	\$ 115,010
Less accumulated depreciation	<u>(30,774)</u>	<u>(82,795)</u>
	<u>\$ 17,005</u>	<u>\$ 32,215</u>

The total cost basis of equipment under capital leases as of June 30, 2018 and 2017 was \$24,103. Accumulated depreciation associated with these assets as of June 30, 2018 and 2017 was \$9,829 and \$5,260, respectively.

Note 4 – Operating Leases

The Organization entered into a sublease with UCorp as of January 2014 to lease spaces in the University Student Union, which expired June 30, 2017 and was subsequently renewed with the University. As consideration for the leased space, the Organization operates student programs with the space leased in the University Student Union. This relationship is recognized as in-kind revenue and expense shown within other income and management and general expenses on the statements of activities. Total in-kind rent revenue and expense for the years ended June 30, 2018 and 2017 was \$86,422 and \$83,987, respectively.

Note 5 – Capital leases

The Organization has acquired certain equipment under capital leases. The future minimum lease payments are due as follows:

<u>Year Ending June 30,</u>	
2019	\$ 6,174
2020	6,174
2021	4,052
Thereafter	<u>-</u>
Total minimum lease payments	16,400
Less amount representing interest (10.3%)	<u>(1,968)</u>
Present value of net minimum lease payments	14,432
Less current portion	<u>(5,015)</u>
Capital lease obligation, net of current portion	<u>\$ 9,417</u>

Note 6 – Transactions with Related Parties

The Organization receives services from and provides services to the University and related parties including Foundation and SM Corp. In July 2010, the Organization entered into a payroll and employment services agreement with SM Corp under which all of the Organization's personnel became employees of SM Corp. The Organization pays SM Corp the costs and fees of providing payroll and benefits along with an administrative fee.

ASSOCIATED STUDENTS, INC. OF CALIFORNIA STATE UNIVERSITY SAN MARCOS

Notes to Financial Statements

Years Ended June 30, 2018 and 2017

Note 6 – Transactions with Related Parties, continued

The original term of the agreement was one year, but it renews automatically unless either party gives three months' written notice.

The Organization holds assets for various student organizations as well. The activity for these student organizations is recorded with the University. Therefore, the organization records cash and a liability due to the University.

Excess money of the Organization is held by the University in a pooled investment account. The amount held on behalf of the Organization and its proportional share of investment income is included in due from related parties.

Related party transactions are as follows:

<u>Related Party</u>	<u>Description</u>	<u>Reported in</u>	<u>2018</u>	<u>2017</u>
Expenses to:				
University	Accounting, personnel services, and reimbursed costs	Various expenses	\$ 677,739	\$ 456,037
SM Corp	Payroll processing, administrative expenses and other expenses	Payroll and admin fee	995,195	760,596
Foundation	Student program costs	Various expenses	7,294	3,128
UCorp	Student program costs and other	Various expenses	-	84,158
			<u>\$ 1,680,228</u>	<u>\$ 1,303,919</u>
Revenues from:				
University	Services, space, and programs	Other income	\$ 65,743	\$ 140,326
University	Proportionate share of investment return	Investment income	15,495	9,895
Foundation	Various student organizations	Other income	11,615	13,007
SM Corp	Student program costs	Other income	6,925	8,016
UCorp	Student program costs	Other income	-	37,587
			<u>\$ 99,778</u>	<u>\$ 208,831</u>
Due from:				
University	Pooled investment account, Level 1 investments	Due from related party	\$ 699,266	\$ 789,983
University	Cost reimbursements	Due from related party	2,484	250
UCorp	Accrued salaries, other expenses	Due from related party	-	16,118
Foundation	Cost reimbursements	Due from related party	610	200
			<u>\$ 702,360</u>	<u>\$ 806,551</u>
Due to:				
University	Reimbursed services and cash held for student organizations	Due to related party	\$ 242,301	\$ 236,710
UCorp	Student program costs and other	Due to related party	-	1,020
SM Corp	Payroll processing and administration fees	Due to related party	141,330	139,404
			<u>\$ 383,631</u>	<u>\$ 377,134</u>

ASSOCIATED STUDENTS, INC. OF CALIFORNIA STATE UNIVERSITY SAN MARCOS

Notes to Financial Statements

Years Ended June 30, 2018 and 2017

Note 7 – Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Note 8 – Contingencies

From time to time, the Organization is subject to litigation as a result of its ongoing activities. Management believes that the outcomes of such litigation will not have a material adverse effect on the Organization's financial position, results of operations or liquidity.

SUPPLEMENTAL INFORMATION

Associated Students, Inc. of California State University San Marcos
Schedule of Net Position
June 30, 2018
(for inclusion in the California State University)

Assets:	
Current assets:	
Cash and cash equivalents	\$ 63,681
Short-term investments	-
Accounts receivable, net	703,450
Capital lease receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	-
Prepaid expenses and other current assets	-
Total current assets	<u>767,131</u>
Noncurrent assets:	
Restricted cash and cash equivalents	192,939
Accounts receivable, net	-
Capital lease receivable, net of current portion	-
Notes receivable, net of current portion	-
Student loans receivable, net	-
Pledges receivable, net	-
Endowment investments	-
Other long-term investments	-
Capital assets, net	17,005
Other assets	3,000
Total noncurrent assets	<u>212,944</u>
Total assets	<u>980,075</u>
Deferred outflows of resources:	
Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	-
Others	-
Total deferred outflows of resources	<u>-</u>
Liabilities:	
Current liabilities:	
Accounts payable	407,868
Accrued salaries and benefits	-
Accrued compensated absences, current portion	-
Unearned revenue	89,187
Capital lease obligations, current portion	5,015
Long-term debt obligations, current portion	-
Claims liability for losses and loss adjustment expenses, current portion	-
Depository accounts	-
Other liabilities	-
Total current liabilities	<u>502,070</u>
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	-
Unearned revenue	-
Grants refundable	-
Capital lease obligations, net of current portion	9,417
Long-term debt obligations, net of current portion	-
Claims Liability for losses and loss adjustment expenses, net of current portion	-
Depository accounts	-
Net other postemployment benefits liability	-
Net pension liability	-
Other liabilities	-
Total noncurrent liabilities	<u>9,417</u>
Total liabilities	<u>511,487</u>
Deferred inflows of resources:	
Service concession arrangements	-
Net pension liability	-
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Net OPEB liability	-
Others	-
Total deferred inflows of resources	<u>-</u>
Net Position:	
Net investment in capital assets	2,573
Restricted for:	
Nonexpendable – endowments	-
Expendable:	
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Other	-
Unrestricted	466,015
Total net position	<u>\$ 468,588</u>

Associated Students, Inc. of California State University San Marcos
Schedule of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2018
(for inclusion in the California State University)

Revenues:	
Operating revenues:	
Student tuition and fees, gross	\$ 2,113,392
Scholarship allowances	-
Grants and contracts, noncapital:	
Federal	-
State	-
Local	-
Nongovernmental	-
Sales and services of educational activities	-
Sales and services of auxiliary enterprises, gross	-
Scholarship allowances	-
Other operating revenues	140,065
Total operating revenues	<u>2,253,457</u>
Expenses:	
Operating expenses:	
Instruction	-
Research	-
Public service	-
Academic support	-
Student services	642,145
Institutional support	-
Operation and maintenance of plant	-
Student grants and scholarships	-
Auxiliary enterprise expenses	1,631,457
Depreciation and amortization	15,210
Total operating expenses	<u>2,288,812</u>
Operating income (loss)	<u>(35,355)</u>
Nonoperating revenues (expenses):	
State appropriations, noncapital	-
Federal financial aid grants, noncapital	-
State financial aid grants, noncapital	-
Local financial aid grants, noncapital	-
Nongovernmental and other financial aid grants, noncapital	-
Other federal nonoperating grants, noncapital	-
Gifts, noncapital	-
Investment income (loss), net	15,495
Endowment income (loss), net	-
Interest expenses	-
Other nonoperating revenues (expenses) - excl. interagency transfers	-
Other nonoperating revenues (expenses) - interagency transfers	-
Net nonoperating revenues (expenses)	<u>15,495</u>
Income (loss) before other revenues (expenses)	<u>(19,860)</u>
State appropriations, capital	-
Grants and gifts, capital	-
Additions (reductions) to permanent endowments	-
Increase (decrease) in net position	<u>(19,860)</u>
Net position:	
Net position at beginning of year, as previously reported	488,448
Restatements	-
Net position at beginning of year, as restated	<u>488,448</u>
Net position at end of year	<u>\$ 468,588</u>

Associated Students, Inc. of California State University San Marcos

Other Information

June 30, 2018

(for inclusion in the California State University)

1 Restricted cash and cash equivalents at June 30, 2018:

Portion of restricted cash and cash equivalents related to endowments	\$	-
All other restricted cash and cash equivalents		<u>192,939</u>
Total restricted cash and cash equivalents	\$	<u><u>192,939</u></u>

2.1 Composition of investments at June 30, 2018:

	<u>Current Unrestricted</u>	<u>Current Restricted</u>	<u>Total Current</u>	<u>Noncurrent Unrestricted</u>	<u>Noncurrent Restricted</u>	<u>Total Noncurrent</u>	<u>Total</u>
State of California Surplus Money Investment Fund (SMIF)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of California Local Agency Investment Fund (LAIF)	-	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-
Mutual funds	-	-	-	-	-	-	-
Money Market funds	-	-	-	-	-	-	-
Repurchase agreements	-	-	-	-	-	-	-
Commercial paper	-	-	-	-	-	-	-
Asset backed securities	-	-	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-	-	-
Municipal bonds	-	-	-	-	-	-	-
U.S. agency securities	-	-	-	-	-	-	-
U.S. treasury securities	-	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-	-
Exchange traded funds (ETFs)	-	-	-	-	-	-	-
Alternative investments:							
Private equity (including limited partnerships)	-	-	-	-	-	-	-
Hedge funds	-	-	-	-	-	-	-
Managed futures	-	-	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-	-	-
Commodities	-	-	-	-	-	-	-
Derivatives	-	-	-	-	-	-	-
Other alternative investment types	-	-	-	-	-	-	-
Other external investment pools (excluding SWIFT)							
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Other major investments:							
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Total investments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Less endowment investments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total investments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

2.2 Investments held by the University under contractual agreements at June 30, 2018:

Portion of investments in note 2.1 held by the University under contractual agreements at June 30, 2018:	\$	-	\$	-	\$	-	\$	-
--	----	---	----	---	----	---	----	---

Associated Students, Inc. of California State University San Marcos
 Other Information
 June 30, 2018
 (for inclusion in the California State University)

	<u>Amount</u>
2.3 Restricted current investments at June 30, 2018 related to:	
Add description	\$ -
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Total restricted current investments at June 30, 2018	<u>\$ -</u>

	<u>Amount</u>
2.4 Restricted noncurrent investments at June 30, 2018 related to:	
Endowment investment	\$ -
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Total restricted noncurrent investments at June 30, 2018	<u>\$ -</u>

Associated Students, Inc. of California State University San Marcos
Other Information
June 30, 2018
(for inclusion in the California State University)

2.5 Fair value hierarchy in investments at June 30, 2018:

	Total	Fair Value Measurements Using			Net Asset Value (NAV)
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
State of California Surplus Money Investment Fund (SMIF) \$	-	\$	-	\$	-
State of California Local Agency Investment Fund (LAIF)	-	-	-	-	-
Corporate bonds	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Mutual funds	-	-	-	-	-
Money Market funds	-	-	-	-	-
Repurchase agreements	-	-	-	-	-
Commercial paper	-	-	-	-	-
Asset backed securities	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-
Municipal bonds	-	-	-	-	-
U.S. agency securities	-	-	-	-	-
U.S. treasury securities	-	-	-	-	-
Equity securities	-	-	-	-	-
Exchange traded funds (ETFs)	-	-	-	-	-
Alternative investments:					
Private equity (including limited partnerships)	-	-	-	-	-
Hedge funds	-	-	-	-	-
Managed futures	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-
Commodities	-	-	-	-	-
Derivatives	-	-	-	-	-
Other alternative investment types	-	-	-	-	-
Other external investment pools (excluding SWIFT)					
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Other major investments:					
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Add description	-	-	-	-	-
Total investments	\$	\$	\$	\$	\$

Associated Students, Inc. of California State University San Marcos
Other Information
June 30, 2018
(for inclusion in the California State University)

3.1 Composition of capital assets at June 30, 2018:

	Balance June 30, 2017	Prior period Adjustments	Reclassifications	Balance June 30, 2017 (restated)	Additions	Reductions	Transfers of Completed CWIP	Balance June 30, 2018
Nondepreciable/nonamortizable capital assets:								
Land and land improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Works of art and historical treasures	-	-	-	-	-	-	-	-
Construction work in progress (CWIP)	-	-	-	-	-	-	-	-
Intangible assets:								
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-
Internally generated intangible assets in progress	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-
Total nondepreciable/nonamortizable capital assets	-	-	-	-	-	-	-	-
Depreciable/amortizable capital assets:								
Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-
Personal property:								
Equipment	115,010	-	-	115,010	-	(67,231)	-	47,779
Library books and materials	-	-	-	-	-	-	-	-
Intangible assets:								
Software and websites	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyright and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-
Total depreciable/amortizable capital assets	115,010	-	-	115,010	-	(67,231)	-	47,779
Total capital assets	115,010	-	-	115,010	-	(67,231)	-	47,779
Less accumulated depreciation/amortization:								
Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-
Personal property:								
Equipment	(82,795)	-	-	(82,795)	(15,210)	67,231	-	(30,774)
Library books and materials	-	-	-	-	-	-	-	-
Intangible assets:								
Software and websites	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyright and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	(82,795)	-	-	(82,795)	(15,210)	67,231	-	(30,774)
Total capital assets, net	\$ 32,215	\$ -	\$ -	\$ 32,215	\$ (15,210)	\$ -	\$ -	\$ 17,005

3.2 Detail of depreciation and amortization expense for the year ended June 30, 2018:

Depreciation and amortization expense related to capital assets	\$ 15,210
Amortization expense related to other assets	-
Total depreciation and amortization	\$ 15,210

Associated Students, Inc. of California State University San Marcos
Other Information
June 30, 2018
(for inclusion in the California State University)

4 Long-term liabilities activity schedule:

	Balance			Balance			Balance	Current	Long-term
	June 30, 2017	Prior period adjustments	Reclassifications	June 30, 2017 (restated)	Additions	Reductions			
Accrued compensated absences	\$ 24,593	\$ -	\$ -	\$ 24,593	\$ -	\$ (24,593)	\$ -	\$ -	\$ -
Claims Liability for losses and loss adjustment expenses	-	-	-	-	-	-	-	-	-
Capitalized lease obligations:									
Gross balance	19,001	-	-	19,001	-	(4,569)	14,432	5,015	9,417
Unamortized premium / (discount) on capitalized lease obligations	-	-	-	-	-	-	-	-	-
Total capitalized lease obligations	19,001	-	-	19,001	-	(4,569)	14,432	5,015	9,417
Long-term debt obligations:									
Auxiliary revenue bonds	-	-	-	-	-	-	-	-	-
Commercial Paper	-	-	-	-	-	-	-	-	-
Note Payable related to SRB	-	-	-	-	-	-	-	-	-
Others: (list by type)									
Add description	-	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-	-
Total long-term debt obligations	-	-	-	-	-	-	-	-	-
Unamortized bond premium / (discount)	-	-	-	-	-	-	-	-	-
Total long-term debt obligations, net	-	-	-	-	-	-	-	-	-
Total long-term liabilities	\$ 43,594	\$ -	\$ -	\$ 43,594	\$ -	\$ (29,162)	\$ 14,432	\$ 5,015	\$ 9,417

5 Future minimum lease payments - capital lease obligations:

	Capitalized lease obligations related to SRB			All other capitalized lease obligations			Total capitalized lease obligations		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
Year ending June 30:									
2019	\$ -	-	-	5,015	1,159	6,174	5,015	1,159	6,174
2020	-	-	-	5,508	666	6,174	5,508	666	6,174
2021	-	-	-	3,909	143	4,052	3,909	143	4,052
2022	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-
2024 - 2028	-	-	-	-	-	-	-	-	-
2029 - 2033	-	-	-	-	-	-	-	-	-
2034 - 2038	-	-	-	-	-	-	-	-	-
2039 - 2043	-	-	-	-	-	-	-	-	-
2044 - 2048	-	-	-	-	-	-	-	-	-
2049 - 2053	-	-	-	-	-	-	-	-	-
2054 - 2058	-	-	-	-	-	-	-	-	-
2059 - 2063	-	-	-	-	-	-	-	-	-
2064 - thereafter	-	-	-	-	-	-	-	-	-
Total minimum lease payments	-	-	-	14,432	1,968	16,400	14,432	1,968	16,400
Less amounts representing interest	-	-	-	-	-	-	-	-	(1,968)
Present value of future minimum lease payments	-	-	-	-	-	-	-	-	14,432
Unamortized net premium (discount)	-	-	-	-	-	-	-	-	-
Total capitalized lease obligations	-	-	-	-	-	-	-	-	14,432
Less: current portion	-	-	-	-	-	-	-	-	(5,015)
Capitalized lease obligation, net of current portion	-	-	-	-	-	-	-	-	\$ 9,417

6 Long-term debt obligation schedule

	Auxiliary revenue bonds			All other long-term debt obligations			Total long-term debt obligations		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
Year ending June 30:									
2019	\$ -	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-
2024 - 2028	-	-	-	-	-	-	-	-	-
2029 - 2033	-	-	-	-	-	-	-	-	-
2034 - 2038	-	-	-	-	-	-	-	-	-
2039 - 2043	-	-	-	-	-	-	-	-	-
2044 - 2048	-	-	-	-	-	-	-	-	-
2049 - 2053	-	-	-	-	-	-	-	-	-
2054 - 2058	-	-	-	-	-	-	-	-	-
2059 - 2063	-	-	-	-	-	-	-	-	-
2063 - 2067	-	-	-	-	-	-	-	-	-
Total minimum payments	-	-	-	-	-	-	-	-	-
Less amounts representing interest	-	-	-	-	-	-	-	-	-
Present value of future minimum payments	-	-	-	-	-	-	-	-	-
Unamortized net premium (discount)	-	-	-	-	-	-	-	-	-
Total long-term debt obligations	-	-	-	-	-	-	-	-	-
Less: current portion	-	-	-	-	-	-	-	-	-
Long-term debt obligations, net of current portion	-	-	-	-	-	-	-	-	\$ -

Associated Students, Inc. of California State University San Marcos
Other Information
June 30, 2018
(for inclusion in the California State University)

7 Calculation of net position

7.1 Calculation of net position - net investment in capital assets

Capital assets, net of accumulated depreciation	\$	17,005
Capitalized lease obligations, current portion		(5,015)
Capitalized lease obligations, net of current portion		(9,417)
Long-term debt obligations, current portion		-
Long-term debt obligations, net of current portion		-
Portion of outstanding debt that is unspent at year-end		-
Other adjustments: (please list)		
Add description		-
Add description		-
Add description		-
Add description		-
Add description		-
Net position - net investment in capital asset	\$	<u>2,573</u>

7.2 Calculation of net position - Restricted for nonexpendable - endowments

Portion of restricted cash and cash equivalents related to endowments	\$	-
Endowment investments		-
Other adjustments: (please list)		
Add description		-
Add description		-
Add description		-
Add description		-
Add description		-
Add description		-
Add description		-
Add description		-
Add description		-
Add description		-
Net position - Restricted for nonexpendable - endowments	\$	<u>-</u>

8 Transactions with related entities

		<u>Amount</u>
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$	186,206
Payments to University for other than salaries of University personnel		485,943
Payments received from University for services, space, and programs		63,510
Gifts-in-kind to the University from discretely presented component units		-
Gifts (cash or assets) to the University from discretely presented component units		-
Accounts (payable to) University		(242,301)
Other amounts (payable to) University		-
Accounts receivable from University		2,484
Other amounts receivable from University		699,266

9 Other postemployment benefits obligation (OPEB)

Intentionally left blank - not required/applicable eff FY17/18

Associated Students, Inc. of California State University San Marcos
Other Information
June 30, 2018
(for inclusion in the California State University)

10 Pollution remediation liabilities under GASB Statement No. 49:

Description	Amount
Add description	\$ -
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Total pollution remediation liabilities	-
Less: current portion	-
Pollution remediation liabilities, net of current portion	\$ -

11 The nature and amount of the prior period adjustment(s) recorded to beginning net position

	Net Position Class	Amount Dr. (Cr.)
Net position as of June 30, 2017, as previously reported		\$ 488,448
Prior period adjustments:		
1 (list description of each adjustment)		-
2 (list description of each adjustment)		-
3 (list description of each adjustment)		-
4 (list description of each adjustment)		-
5 (list description of each adjustment)		-
6 (list description of each adjustment)		-
7 (list description of each adjustment)		-
8 (list description of each adjustment)		-
9 (list description of each adjustment)		-
10 (list description of each adjustment)		-
Net position as of June 30, 2017, as restated		\$ 488,448

Provide a detailed breakdown of the journal entries (at the financial statement line item level) booked to record each prior period adjustment:

	Debit	Credit
Net position class: _____ 1 (breakdown of adjusting journal entry)	-	-
Net position class: _____ 2 (breakdown of adjusting journal entry)	-	-
Net position class: _____ 3 (breakdown of adjusting journal entry)	-	-
Net position class: _____ 4 (breakdown of adjusting journal entry)	-	-
Net position class: _____ 5 (breakdown of adjusting journal entry)	-	-
Net position class: _____ 6 (breakdown of adjusting journal entry)	-	-
Net position class: _____ 7 (breakdown of adjusting journal entry)	-	-
Net position class: _____ 8 (breakdown of adjusting journal entry)	-	-
Net position class: _____ 9 (breakdown of adjusting journal entry)	-	-
Net position class: _____ 10 (breakdown of adjusting journal entry)	-	-

Associated Students, Inc. of California State University San Marcos
 Other Information
 June 30, 2018
 (for inclusion in the California State University)

12 Natural Classifications of Operating Expenses:

	Salaries	Benefits	Scholarships and fellowships	Supplies and other services	Depreciation and amortization	Total operating expenses
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Research	-	-	-	-	-	-
Public service	-	-	-	-	-	-
Academic support	-	-	-	-	-	-
Student services	-	-	-	642,145	-	642,145
Institutional support	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-	-
Student grants and scholarships	-	-	-	-	-	-
Auxiliary enterprise expenses	-	-	-	1,631,457	-	1,631,457
Depreciation and amortization	-	-	-	-	15,210	15,210
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,273,602</u>	<u>\$ 15,210</u>	<u>\$ 2,288,812</u>